

**FILED**

**JAN 11 2010**

**SECRETARY, BOARD OF  
OIL, GAS & MINING**

**UTAH BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES  
STATE OF UTAH**

SAUNDRIA WHITMER, ROBBIN  
MURDOCK, RONALD MURDOCK,  
JOYCE MURDOCK, MAC E.  
MURDOCK, STUART MURDOCK,  
AND BENNY MURDOCK,

Petitioners,

v.

MOUNTAIN OIL AND GAS, INC. AND  
HOMELAND GAS AND OIL, LTD.,

Respondents.

Docket No. 2010-001 Cause No. 131-127  
Docket No. 2010-002 Cause No. 131-127  
Docket No. 2010-003 Cause No. 131-127  
Docket No. 2010-004 Cause No. 131-127  
Docket No. 2010-005 Cause No. 131-127  
Docket No. 2010-006 Cause No. 131-127  
Docket No. 2010-007 Cause No. 131-127

**ANSWER OF RESPONDENTS TO  
PETITIONERS' REQUESTS FOR  
AGENCY ACTION**

Mountain Oil and Gas, Inc. and Homeland Gas and Oil, Ltd. (collectively  
"Respondents") come now, by and through counsel, and make this combined answer to the  
Requests for Agency Action ("Requests") individually filed with the Board by Saundria  
Whitmer, Robbin Murdock, Ronald Murdock, Joyce Murdock, Mac E. Murdock, Stuart  
Murdock, and Benny Murdock, (collectively "Petitioners"). Based on the reasons stated herein,  
the Requests should be denied so that Respondents can continue negotiations to attempt to  
resolve Petitioners' claims.

**BACKGROUND AND FACTS**

1. All of the Requests pertain to the SE/4SE/4 of Section 2, Township 2 South, Range 1  
East, U.S.M., in Uintah County, Utah. Each Petitioner claims to be the owner of an undivided  
interest in the oil and gas in such lands.

2. All of Section 2 is covered by federal Communitization Agreement UTU-76245, approved by the Bureau of Indian Affairs March 20, 1997 (the "CA"), a true and correct copy of which is attached hereto as Exhibit "A."

3. The SE/4SE/4 of Section 2 is described by the CA as Tract 5.

4. Despite what the Petitioners all claim, the oil and gas in CA Tract 5 is, and has been, under lease from Petitioners' co-tenant undivided interest owners since at least 1996. As indicated on the CA's recapitulation of interests:

(a) May 17, 1996, Brenda Mojado gave a lease covering CA Tract 5 to Uinta Oil & Gas Inc. A copy of this lease as recorded in Book 634, Page 229 of the records of Uintah County, Utah is attached hereto as Exhibit "B."

(b) May 17, 1996, Gwendolyn Mojado gave a lease covering CA Tract 5 to Uinta Oil & Gas Inc. A copy of this lease as recorded in Book 634, Page 227 of the records of Uintah County, Utah is attached hereto as Exhibit "C."

(c) May 3, 1996, Shirley Reed, Gary Murdock and Karel Murdock gave a lease covering CA Tract 5 to Uinta Oil & Gas Inc. A copy of this lease as recorded in Book 634, Page 220 of the records of Uintah County, Utah is attached hereto as Exhibit "D."

5. Paragraph 12 of each of the above-described leases granted the Lessee thereunder the right and power to pool or unitize the oil and gas covered thereby and the leasehold, as was done when the subject SE/4SE/4 of Section 2 was committed to the CA.

6. Respondents do not deny that one or more of the Petitioners may be entitled to proceeds from production from the #1-2B1E Well. However, it would appear that some of Petitioners' claimed interests flow from one or more estates and Respondents have been

provided no evidence of title nor, if applicable, the probate proceedings that vested title to the undivided oil and gas interests in Petitioners.

7. In Respondents' good faith judgment, there are unanswered questions that must be resolved regarding the Petitioners' entitlement to receive the payment of proceeds from the #1-2B1E Well, and in what proportion.

8. Petitioners have each leased their claimed interests to Mineral Rights Leasing, LLC ("MRL"), as evidenced by the true and correct copies of such leases attached hereto as Exhibits "E," "F," "G," and "H."

9. Respondents are in active negotiations with MRL and its principals regarding the #1-2B1E Well, and a critical component of those discussions is settlement of Respondent's complaints and withdrawal of the Requests.


10. Respondents are hopeful that the negotiations with MRL will resolve all of Petitioners' claims. If so, the initiation of an investigation and negotiation by the Division of Oil, Gas and Mining, at this time, would be premature, and may be entirely unnecessary if Respondents are able to settle Petitioners' claims without the Board's or the Division's intervention.

### **CONCLUSION**

Based on the foregoing, Respondents respectfully submit that the Requests should be denied as premature and Respondents be permitted to continue to pursue resolution of Petitioners' claims by negotiation.

Dated this 11~~th~~ day of January, 2010.

Respectfully submitted,



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Attorneys for Respondents

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### CERTIFICATE OF SERVICE

I, the undersigned, do hereby certify that on January 11<sup>th</sup>, 2010 a true and correct copy of the foregoing was sent by certified, postage pre-paid mail to the following:

Joyce Murdock  
HC 67 Box 188  
Fort Duchesne, Utah 84026

Mac E. Murdock  
HC 67 Box 105  
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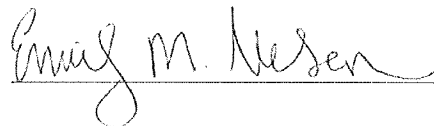
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